

The Consumer Protection in Financial Services under European Law

As a subject of my thesis, I chose the theme of consumer protection in financial services under European law. I have chosen this theme deliberately as I do meet with the issue of consumer protection in the area of finance every day at the working level, because I work in Consumer Protection Department of the Czech National Bank (hereinafter referred as to „ČNB“). The independent consumer protection department has practically launched its activity in the August 2008 as a result of the transfer of necessary powers made under an amendment of Act No. 6/1993 Coll., on the Czech National Bank and Act No. 634/1992 Coll., on Consumer Protection. Under these new powers the ČNB accepts suggestions, complaints and other consumer submissions concerning financial entities which are subject to the ČNB supervision. My aim was to include consumer protection in financial services, in the way it is undertaken in the European Union, to the context of supervision rules, which are performed by our national supervisor.

The thesis is divided in seven main chapters. The introduction describes primary objective and structure of the work. In the second part, I essayed to generally describe consumer protection in the EU, to briefly identify and define concept of a consumer in the context of European law and then specify some of the essential financial services distinctions. In the third part, I deal with some problematic issues in the area of public law supervision of consumer protection in the financial services, namely from the perspective of our domestic regulator (in a nutshell are also described the activities of the above-mentioned independent department of consumer protection of the ČNB) and from the perspective of a new European supervisory authorities architecture empowered to regulate financial stability across the EU. The fourth and fifth parts of the work represent its heart of the matter. I attempted to analyze the directive on

unfair commercial practices in a comprehensive manner in the fourth part of the work and in its fifth part, the directive on consumer credit, including the description of both directives transposition in our legal order. These directives are based on the maximum harmonisation principle and as thus represent a new well welcomed direction in the legislative regulation, which is supposed to be crucial for other development of cross-border trade and consumer protection, and therefore for the integration of the retail market in this area. Latest news from the office of the Commission, which seeks to provide a package of measures to strengthen consumer protection and confidence in the financial services, are worked out in the last but one, the sixth, chapter. Finally, in the conclusion, I aspired to evaluate and summarize the current situation which is governing the financial services providing, including a viewpoint of a further development in this development.